United Nations E/2007/34 (Part I)–E/ICEF/2007/7 (Part I)

Economic and Social Council

Distr.: General
2 February 2007

Original: English

Report of the Executive Board of the United Nations Children's Fund on the work of its 2007 first regular session

(16-19 and 22 January 2007)*

* The present document is an advance version of the report of the Executive Board of the United Nations Children's Fund on its first regular session (16-19 and 22 January 2007). The report on the annual session (4-8 June 2007) and the second regular session (4-7 September 2007) will be issued as parts II and III, respectively. These reports will be issued in final form as *Official Records of the Economic and Social Council, 2007, Supplement 14* (E/2007/34/Rev.1-E/ICEF/2007/7/Rev.1).

07-22834 (E) 070207

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I. Organization of the session

A. Election of officers

1. The Executive Board elected as President H.E. Mr. Javier Loayza Barea (Bolivia), and as Vice Presidents H.E. Mr. Michel Kafando (Burkina Faso); H.E. Mr. Kyaw Tint Swe (Myanmar); H.E. Mr. Pavle Jevremović (Serbia); and H.E. Mr. Robert Hill (Australia).

B. Opening statements

2. The President said that the recent commemoration of the sixtieth anniversary of UNICEF by the General Assembly had shown the concrete results achieved by the organization and the commitment of its staff. UNICEF was the main organization responsible for guaranteeing the rights of the child, and was a reliable ally and partner of Governments. Closing the gap of inequality and reaching out to the marginalized was one of the main challenges facing the world today.

3. The Executive Director reviewed several key developments in 2006, including the August launch of an alliance between the Organization of American States, UNICEF and the Inter-American Development Bank to achieve free and universal birth registration for all children in Latin America and the Caribbean by 2015. Emphasizing the centrality of partnerships, especially relevant in light of the 2006 report of the High-level Panel on United Nations System-wide Coherence, she affirmed that UNICEF remained committed to a strengthened and coherent United Nations system to produce better results for children, guided by the Millennium Development Goals and the Millennium Declaration.

4. The outgoing President, H.E. Mr. Andrei Dapkunias (Belarus), said that during the past year he had been humbled by the work done by UNICEF for the well-being of the world's children. UNICEF was the biggest and best-kept secret of the United Nations, as well as its hope and the promise of its success.

C. Adoption of the agenda

5. The Executive Board adopted the agenda, timetable and organization of work (E/ICEF/2007/1 and Corr.1) for the session.

6. In accordance with rule 50.2 of the rules of procedure, the Secretary of the Executive Board announced that credentials had been submitted by 49 observer delegations, 4 United Nations bodies, 2 intergovernmental organizations, the Standing Group of National Committees for UNICEF, 2 non-governmental organizations (NGOs) and 1 other entity.

II. Deliberations of the Executive Board

A. Annual report to the Economic and Social Council

7. The report (E/ICEF/2007/3) was introduced by the Director of United Nations Affairs and External Relations. He also presented a report on the activities of the Joint Inspection Unit (JIU) that were relevant to UNICEF (E/ICEF/2007/6).

8. A number of delegations commended the annual report, which they found to be analytical, but other delegates asked that future reports be even more analytical in nature and provide information on challenges encountered in carrying out the work of UNICEF, including in the context of United Nations reform. The secretariat took note of requests to provide more information on the relationship with the World Bank, humanitarian response and the funding of operational activities, and to follow the threads of information discussed from one year's report to the next.

9. Several delegations noted the increased focus on achieving results in the context of the Millennium Development Goals, especially given the short time frame for meeting the Goals. Some speakers expressed appreciation for work in the area of knowledge management, including DevInfo.

10. Delegations noted with appreciation the role of UNICEF in various international forums in support of United Nations reform, with some emphasizing the need for UNICEF to be at the lead in implementation of the recommendations of the High-level Panel on United Nations System-wide Coherence. However, others urged UNICEF to move cautiously on the recommendations, as the report must first be presented to the General Assembly. The secretariat said that it was important to bring together the various intergovernmental and inter-agency mechanisms, including the triennial comprehensive policy review of operational activities for development, the High-level Panel, and the Chief Executives Board for Coordination (CEB), including the High-level Committee on Programmes and the High-level Committee on Management. UNICEF was fully engaged in all of these processes. Addressing concerns raised concerning the involvement of the specialized agencies in the processes, the secretariat said that the CEB fully shared this concern. UNICEF was taking steps to increase its collaboration with those agencies and with the international financial institutions.

11. Concern was raised over the slow pace of work in the area of HIV/AIDS, including slow implementation of the recommendations of the Global Task Team, and the lack of closer integration of programmes to combat HIV/AIDS. UNICEF and other parts of the United Nations system must work more closely together for maximum effectiveness.

12. A number of delegates encouraged UNICEF to be engaged in the upcoming triennial comprehensive policy review. Some speakers said that UNICEF had a comparative advantage, including its brand and image, that should be retained during the period of United Nations reform. UNICEF was urged to participate fully in the piloting of eight countries for the "One United Nations" process. The secretariat said that national ownership remained a high priority for Member States and United Nations agencies in the review. The funds and programmes, including UNICEF, were engaged in a number of activities, including the involvement of country and regional offices, to contribute to the report on the implementation of the current triennial policy review.

13. UNICEF was commended by a number of delegations for its leadership, support and activities supporting the preparation of the Secretary-General's Study on Violence against Children and encouraged to follow-up on its recommendations.

14. Speakers stressed that UNICEF should work in closer partnership with others, with requests for additional information on how specific partnerships were chosen and how those choices contributed to the medium-term strategic plan (MTSP) priorities. UNICEF was commended for its involvement in partnerships, including the Global Alliance for Vaccines and Immunization, *Unite for Children, Unite against AIDS*, polio eradication and the partnership for maternal, newborn and child health, and was encouraged to find the means to sustain them. The secretariat said that partnership arrangements were undertaken in the overall framework of the MTSP. The partnership with the World Bank was very important and would be discussed in next year's report, with particular attention focussed on poverty reduction strategies (PRSs) and DevInfo.

15. Speakers noted the number of UNICEF staff members serving as Resident Coordinators and encouraged UNICEF to increase the number of candidates for these positions and to work with others to strengthen the Resident Coordinator system.

16. On gender mainstreaming, a number of delegates said that much remained to be done. The gender self-assessment done by country offices and the current evaluation of implementation of gender policies were noted with appreciation by several delegations, and others voiced support for the appointment of the Senior Adviser on Gender and Diversity. The secretariat replied that gender mainstreaming and gender parity were high priorities for UNICEF. The first phase of the gender parity evaluation had been completed and the more intensive second phase would be reported on later in the year.

17. Some delegates referred to the upcoming commemoration of the Special Session on Children, and one said that it would provide a useful opportunity for advocacy for the Convention on the Rights of the Child. Speakers also mentioned the sixtieth anniversary of UNICEF and of the important work the organization had done throughout its history.

18. The Executive Board took note of the report. The President said that a summary of the comments made during the discussion would be submitted to the Economic and Social Council for consideration at its 2007 substantive session, together with the report itself. The Board also took note of the report on the JIU.

B. Integrated approaches for achieving the Millennium Development Goals

19. In her opening remarks, the Executive Director recognized the high mortality burden that still affected many women and children in Africa and emphasized the commitment of UNICEF to develop strategies and take action for achieving the Millennium Development Goals. She emphasized the need for expanding integrated community-based programmes, sharing good practices and working in partnerships for children. She described how at the "All Africa" meeting, held in Dakar in November 2006, UNICEF representatives and other participants had discussed approaches that worked.

20. After an introduction by Mr. Ernest Loevinsohn, Director General of the Health and Nutrition Directorate of the Canadian International Development Agency, presentations were made by three experts: Ms. Jennifer Bryce, Epidemiologist with the Johns Hopkins School of Public Health; Ms. Joy Lawn, Senior Research and Policy Advisor for Saving Newborn Lives, Save the Children-USA; and Mr. Yaw Ansu, Sector Director for Human Development in the Africa Regional Office of the World Bank. The panellists reported that remarkable progress had been made in sub-Saharan Africa, providing as examples girls' education and measles mortality reduction. However, many countries remained off track in meeting the health-related Millennium Development Goals. The three greatest single causes of under-five mortality in Africa were still pneumonia, malaria and diarrhoea. Undernutrition contributed to more than half of all deaths among children under five years of age; as a group of disorders, neonatal diseases were also a major cause of death; and HIV/AIDS was the major cause of death in southern Africa and an important cause elsewhere. Poor water supply and sanitation conditions contributed significantly to diarrhoeal disease mortality.

21. The presentations reaffirmed that the causes of neonatal, child and maternal mortality were well known and that the interventions to combat them were simple, relatively inexpensive and effective. The presentation also emphasized the need to avoid false dichotomies: vertical versus integrated programmes; care for the mother versus the child; systems versus outcomes. The issue now was how to scale up delivery rapidly. More than ever before, funding was available, but concerns of equity and sustainability remained.

22. Delegations appreciated the format of the panel discussion, which included participants from partner agencies and academia. The delegations from Africa reaffirmed the commitment of their countries, welcomed the draft African Union Framework on Child Survival and highlighted that action was most needed at subnational level to address the equity gap. Countries with good progress generally had stable governments and demonstrated political leadership and had established delivery systems to the community level. One speaker noted the connection between female literacy and health outcomes.

23. Several delegations were concerned about the sustainability of the integrated community-based approaches for delivering multiple interventions and noted the need to strengthen health systems at the same time. Panellists affirmed that efforts would take place within existing health systems but that the accelerated child survival and development, like other similar approaches, was in fact delivering services and building systems simultaneously.

24. One speaker suggested that this initiative could learn from the success of the measles initiative and set very specific targets for coverage and funding that were publicly reviewed annually. Another speaker emphasized the importance of ensuring that this work coordinated well with that of the Global Funds.

25. The Executive Director, in her closing remarks, reaffirmed that UNICEF was committed to tracking progress on the health-related Millennium Development Goals more frequently with more robust tools. She expressed confidence that the follow-up action to the All Africa meeting would lead to measurable and sustainable results, placing children at the heart of development.

C. Update on the *Unite for Children, Unite against AIDS* campaign

26. The report (E/ICEF/2007/5) was introduced by the Chief of the HIV/AIDS Section. Delegations expressed strong support for the campaign and its four programme areas and for the increased focus on measuring results for children, and requested future updates with data on the integration of children's needs and rights in national policy frameworks and poverty reduction strategies. Speakers underscored the importance of strengthened and well-coordinated partnerships at global and national levels. They emphasized the need for active engagement of national Governments and civil society in scaling up programmes in the four priority areas. Delegations said that progress for children was linked to continued advocacy for the Convention on the Rights of Child and gender equality. A specific request referred to an evaluation of a programme funded by France and UNICEF on children affected by HIV and AIDS in Cameroon and the Democratic Republic of Congo and the need to share its findings. The secretariat was asked to provide an oral report to the annual session of the Executive Board on progress made in eliminating barriers to joint programming at the country level.

D. Ending Child Hunger and Undernutrition Initiative

27. The report (E/ICEF/2007/4) was introduced by the Director, Programme Division. A representative of the World Food Programme (WFP) later joined in the response to questions. Delegations acknowledged the importance of addressing child hunger and undernutrition as a key element of Millennium Development Goal 1 and the Millennium Summit agenda. They generally welcomed the Initiative and the goals of the proposed Global Framework, which was seen as providing a useful reference for intensified action.

28. Speakers agreed that integrated approaches based on community-level actions would enhance the relevance of the Initiative. The proposed involvement of the private sector and NGOs would strengthen the partnership arrangements that were needed to accelerate efforts towards achieving the targets of Goal 1. Many delegations welcomed the collaboration between UNICEF and WFP in support of national efforts at scaling up interventions to address child hunger and undernutrition.

29. Several delegations raised concerns about the sustainability of interventions, including the provision of commodities, including food aid, and of the "essential package" approach. They requested more information on whether the Initiative would operate in a vertical manner or be closely aligned to national plans and to government ownership. Speakers asked if and how internal resources would be reallocated by UNICEF and national Governments to support the Initiative. It was stated that the Initiative should address the underlying causes of hunger and undernutrition and not focus merely on quick wins and direct interventions that were unlikely to be sustainable.

30. The secretariat replied that the revised version of the Global Framework indicated in more detail how national ownership and alignment with national policies and plans, such as PRSs, would be ensured. Further work would be done on strategies to strengthen national capacities through the Initiative. The Framework also addressed concerns regarding sustainability and monitoring. Sustained results

would be achieved through more effective and better-coordinated investments in children, empowerment of families and communities, greater utilization of cost-effective and recommended household care practices and synergies across a wide range of the Millennium Development Goals.

31. Several delegations requested clarification on how the Initiative was integrated into the MTSP beyond the area of young child survival and development, and if the Initiative would divert human and financial resources from other priorities of the MTSP, including for programmes at the country level. Delegations also requested information on how the Initiative reflected the human rights-based approach and the extent to which different vulnerable groups would be reached; and a strengthening of the results focus of the Initiative, including the development of indicators, in addition to those in the MTSP, to monitor its progress and effectiveness.

32. The secretariat replied that the Initiative had been designed fully within the framework of the MTSP and its supporting strategies, and that the human rights-based approach had guided the formulation of the Global Framework. As such, the Initiative was an instrument for an acceleration of the achievement of organizational targets and the corresponding Millennial Goals, based on building more effective partnerships and encouraging national and international decision-making in favour of children. The Initiative covered and would contribute to results beyond Goal 1 and the first focus area of the MTSP. It would have strong benefits for child survival and for disease control. Improved nutrition among young children would also help ensure their readiness for school and ability to learn.

33. Some delegations asked about arrangements for implementation and whether capacity limitations of countries and UNICEF field offices had been considered; what would be the responsibility of Member States for implementation; whether approved country programmes would need to be revised; whether a communication strategy, coordinated with other partners, would be used to guide field staff; and what the role of the World Bank would be, given its role in the evolution of PRSs and other national plans. They also indicated that the Initiative should not burden existing programmes. The focus should be on designing approaches on a country-by-country basis, where the need was greatest. Efforts should be made to avoid over-burdening national partners, and to work closely with them to strengthen the necessary national capacities for planning, implementation and monitoring. The Initiative should also build synergies with regional-level programmes and regional development banks.

34. The secretariat replied that Initiative contained provision for improving food security at the household level, in response to specific circumstances and needs. This could include the promotion of livelihoods and household production, with support from the Food and Agriculture Organization of the United Nations and other partners, as well as the promotion of social safety nets and support to food supplementation for vulnerable groups. The main focus was on empowering households to prevent future undernutrition and hunger and to avoid emergency situations, rather than on expanding the distribution of food aid.

35. Some delegations enquired about how the Initiative would be organized; the roles of each main partner, including UNICEF; governance arrangements; the criteria for selection of countries; and how the operations of the Initiative would be financed. Delegations asked whether developing countries had been consulted and

how ongoing participation by partner countries in implementation and monitoring could be assured.

36. The secretariat replied that collaboration on the Initiative was based on the existing Memorandum of Understanding between UNICEF and WFP, and would benefit from the wider context for intensified United Nations collaboration at country level that is provided, for example, by the United Nations Development Assistance Framework (UNDAF) and joint programming mechanisms. The World Bank continued to be a technical collaborator in the Initiative and a prospective member of the partners group. The United Nations High Commissioner for Refugees was expected to chair the Initiative in its first stages. Detailed discussions were under way on the role and contributions of various agencies, including FAO, the International Fund for Agricultural Development, the World Health Organization, international NGOs and the United Nations Standing Committee on Nutrition.

37. On the alignment of existing plans and budgets, the secretariat said that the Initiative aimed to help to ensure that the nutrition-related targets and issues received appropriate attention in national plans, based on the Millennium development Goals, as emphasized by the 2005 World Summit. Part of the purpose was to encourage and where necessary assist Governments in strengthening the focus of their PRSs and other national plans on the Goals, including the targets relating to children, hunger and nutrition. Such revisions should be based on the latest available data and analysis on the scope and causes of hunger and nutrition in individual countries, and international experience concerning the most effective approaches. The Initiative would assist in disseminating such information to decision makers.

38. Revision of UNICEF-assisted country programmes could be take place, where necessary, through the UNDAF review and mid-term review processes. More generally, the Initiative would reflect the trend, envisaged in the MTSP, for UNICEF work at country level - in common with that of the United Nations as a whole - to evolve from a focus on project management to more "upstream" policy support, capacity development and evidence-based advocacy. In reflecting and supporting this ongoing trend, the Initiative would minimize any specific implications for the work load of staff at country level. There was already considerable interest in and support for the Initiative at country level, and approaches contained in the Global Framework were already in operation and being supported in a number of countries. A coordinated communication strategy for staff was envisaged.

39. Countries would be selected for specific focus in response to interest expressed by Governments, United Nations country teams and field offices. The scale and severity of hunger and undernutrition among children, as well as data on the rate of progress in reducing undernutrition among countries, would also be taken into account.

40. See the annex, decision 2007/1, for the decision adopted by the Executive Board.

E. Proposals for UNICEF programme cooperation

Approval of revised country programme documents (CPDs)

41. The President stated that in accordance with decision 2002/4, the Board had commented on the draft CPDs and approved the aggregate indicative budgets for 33 country programmes at the annual and second regular sessions of 2006. The draft CPDs were then revised, taking into account, as appropriate, comments made by delegations during that session and a summary results matrix was added. The revised CPDs were posted on the UNICEF website by end-November 2006. Decision 2002/4 also stated that the revised CPDs were to be approved by the Executive Board at the current session on a no-objection basis, unless five members had informed the secretariat in writing, by end-December 2006, of their wish to bring any country programme before the Board. Because he had been informed by the secretariat that no such comments were received, the country programmes were approved for Algeria, Belize, Brazil, Central African Republic, Democratic People's Republic of Korea, Dominican Republic, Egypt, El Salvador, Eritrea, Ethiopia, Gabon, Gambia, Guinea, Honduras, Iraq, Jamaica, Lao People's Democratic Republic, Moldova, Mongolia, Morocco, Mozambique, Panama, Paraguay, Sao Tome and Principe, Senegal, South Africa, Syrian Arab Republic, Thailand, Tunisia, United Republic of Tanzania. Yemen, Zambia and Zimbabwe.

42. Following the adoption of CPDs, two delegations expressed concern for the humanitarian situation of the people in the **Democratic People's Republic of Korea** and requested that additional monitoring of the country programme take place to ensure that assistance was reaching the intended recipients, especially children and women. One of the delegations requested a comprehensive audit of the programmes in that country over the last seven years, stating that audits should be made available to members of the Board. The representative of the Democratic People's Republic of Korea stated that his Government, with UNICEF assistance, was paying special attention to monitoring, which was in line with domestic law and relevant regulations of UNICEF and other international organizations. Moreover, the internal audit process of UNICEF had proven successful regarding monitoring and evaluation. The Government did not foresee any problem on this issue. The Government would continue its long history of cooperation with UNICEF in implementing the programme and in achieving the Millennium Development Goals.

43. The representative of **Honduras** stated that global sustained commitment was necessary for combating AIDS, hunger and undernutrition among children, and for promoting gender parity and ending all types of discrimination. For Honduras, the strategic axis of cooperation rests on human rights, freedom, developing capacity, fulfilling the Millennium Development Goals, combating AIDS, investing in human beings, education, health, world development and food security to provide successful and transparent democratic governance. His Government attached great importance to Security Council resolution 1612 (2005), which aimed to improve monitoring and reporting to protect children in armed conflict, and was committed to fighting injustice, eradicating poverty and defending human dignity, especially regarding children.

44. Another speaker said his Government would support the "One United Nations" pilot in the United Republic of Tanzania and Mozambique, two of the eight pilot countries to implement the concept introduced by the High-level Panel on United

Nations System-wide Coherence. The speaker encouraged both Governments and UNICEF to support the pilots and share experiences.

45. The representative of **Sudan** said that his Government worked with the United Nations agencies, especially UNICEF and civil organizations, on ensuring progress for children and achieving the Millennium Development Goals. The goal of strengthening peace remained a main objective of his Government, and development was the key to sustaining peace. The CPD (E/ICEF/2006/P/L.23), while good in many aspects, contained several inaccuracies. These included the omission of the signing of the peace agreement, which terminated armed conflict in eastern Sudan; the use of outdated statistics; and the disregard of the Government and non-governmental efforts in dealing with exploitation, violence and abuse concerning children. The document also did not refer to reports of sexual abuse committed by some United Nations personnel and peacekeepers in southern Sudan, which required an investigation, trials for offenders and the compensation of the disadvantaged. He emphasized his Government's commitment to cooperating with UNICEF on programmes.

46. The Director, Programme Division, responded that the sexual abuse and exploitation by United Nations personnel was intolerable and the policy of zero tolerance must be enforced. UNICEF shared the delegation's concern. Investigations were undertaken by the United Nations Office of Internal Oversight Services, which was the appropriate authority to issue a report. He described the many actions supported by UNICEF and its partners to prevent the sexual abuse and exploitation of children throughout Sudan. Regarding the statistics, the upcoming longer-term programme document would provide updated information and statistics and would reflect political changes as well.

Additional regular resources for approved country programmes

47. The report (E/ICEF/2007/P/L.1) was introduced by the Director, Programme Division, and approved without comment. (See annex, decision 2007/2.)

F. UNICEF financial report and audited financial statements for the biennium ended 31 December 2005 and the report of the Board of Auditors

48. The report (A/61/5/Add.2) was introduced by the Comptroller. Delegations welcomed the unqualified nature of the audit opinion and noted the findings and recommendations of the Board of Auditors. Speakers noted the recommendations made in respect of increasing the proportion of regular to total resources, the growth in fund balances and the capacity of UNICEF to sustain further growth in the portfolio of other resources-funded projects, the disparity between the strategic priorities approved by the Executive Board and the allocation of other resources, and inter-agency activities and coordination. One delegation discussed the importance of the external audit process and timely reporting on audit recommendations, raising questions about the wording of the audit opinion, the terms of reference for audit, and the scope and length of the long form report. Another delegation urged UNICEF to establish an accountability framework for ensuring the implementation of audit recommendations.

49. The Comptroller explained that although regular resources income had increased by 11 per cent in the biennium ended 31 December 2005 compared with the previous biennium, the increase was due primarily to private sector activities, mostly through the efforts of the National Committees, and this might be an indication of changing donor funding strategies. He said that the need to strengthen organizational capacity to ensure support to programme implementation had been identified in the planned financial estimates for 2006-2009 (E/ICEF/2006/AB/L.6) and that more specific details would be provided in the proposed biennial support budget for 2008-2009, to be submitted to the Executive Board at the first regular session of 2008. He also provided clarification on the components of the fund balance at 31 December 2005. Of the total balance of $2,195 million, $332 million and $1,403 million represented funds for trust fund and other resources activities, respectively; $73 million was held for funded reserves (such as after-service medical benefits); and $382 million represented funds for regular resources activities. He said that 'unexpended' did not mean 'unallocated' and referred to the measures approved by the Board when it approved the planned financial estimates (decision 2006/15 and E/ICEF/2006/AB/L.6) to employ regular resources funds.

50. See the annex, decision 2007/3, for the decision adopted by the Executive Board.

G. Supplementary support budget for crisis management and business continuity capacity

51. Mr. Toshiyuki Niwa, Deputy Executive Director, introduced the report (E/ICEF/2007/AB/L.1). The report of the Advisory Committee on Administrative and Budgetary Questions was contained in E/ICEF/2007/AB/L.2.

52. A delegation referred to the previous recommendation of the Advisory Committee, as discussed at the second regular session of 2006, and questioned the reasons for the Committee's change of opinion. The Deputy Executive Director replied that UNICEF was one of the first United Nations agencies to prepare and submit its crisis management plan to the Secretary-General but its level of engagement and coordination with other agencies was not initially clear. The Advisory Committee was now satisfied given the subsequent progress in development of other agencies' plans as well as the active role of the Office of the New York Pandemic Influenza Preparedness Coordinator, which had strengthened coordination efforts across the United Nations system.

53. See the annex, decision 2007/4, for the decision adopted by the Executive Board.

H. Private Sector Division: workplan and proposed budget for 2007

54. The Director ad interim of the Private Sector Division (PSD) presented the report (E/ICEF/2007/AB/L.3) and highlighted the strong contribution of National Committees to private sector income. Several delegations commended PSD and the National Committees for the excellent results attained in 2006.

55. The representative of the Standing Group of National Committees for UNICEF thanked PSD colleagues for their support and collaboration and noted the

particularly strong growth in regular resources income. He stressed the importance of maintaining the UNICEF brand and visibility - an essential ingredient of fund-raising success - in harmonization and United Nations reform, and supported the continued use of investment funds to drive growth and development of private sector income.

56. Several delegations indicated that the sales forecasts for cards and products could be optimistic, noting that past actual results had been lower than forecast. Questions were also raised regarding the relationship between product cost and sales ratios, and online activities of cards and products. For future reports, delegations requested a more detailed breakdown of private sector income, as well as more information regarding the use and performance of investment funds. One delegation applauded PSD efforts in fund-raising by country offices.

57. The Director ad interim responded that initiatives such as the partnership with Hallmark to obtain a wider distribution of UNICEF cards in the United States would address some of the issues raised concerning cards sales potential. In addition, PSD would continue to explore potential partnerships to help to reduce UNICEF costs and increase product distribution. Information on investment funds and funding sources was readily available and would be included in future PSD reports to the Board. He advised that the country office fund-raising strategy was under review.

58. The Executive Board approved the work plan and proposed budget for 2007 (see annex, decision 2007/5).

I. Pledging event

59. The Executive Director expressed appreciation for the confidence that Governments, National Committees and the private sector continued to show in the work of UNICEF. With only eight years left before the 2015 deadline for the achievement of the Millennium Development Goals, UNICEF needed to accelerate progress to help to ensure that the Goals were reached. The ability of UNICEF to work effectively depended on predictable income, particularly core resources. While overall Government contributions to UNICEF had more than doubled since 2000, for the last two years regular resources had dropped below 40 per cent of total funding. Preliminary figures showed that UNICEF had received $465 million from donor Governments in 2006, compared to $469 million in 2005.

60. Including pledges received before the event, UNICEF received pledges for 2007 regular resources in the amount of $260.3 million (compared to $256.6 million in 2006) from 49 Governments. This corresponded to 48 per cent of the financial medium-term plan target of $543 million. Six countries (Denmark, Finland, Grenada, Netherlands, New Zealand and Norway) indicated multi-year pledges. Nine donors increased their pledge by 7 per cent or more in local currency (Croatia, Estonia, Hungary, Israel, Luxembourg, Norway, Slovenia, Spain and Turkey). Several major donors were not able to pledge due to incompatibility in their fiscal years. One country, Serbia, pledged for the first time at the pledging event. Returning donors were Cuba, Grenada, Kazakhstan, Maldives, Mongolia, Namibia and Samoa.

J. Other matters

Briefing on the organizational review

61. The Executive Director gave a brief summary of the organizational review, which aims to ensure that UNICEF works efficiently and effectively towards results for children. The independent consultants had developed a set of options and recommendations, based on extensive consultations, and had presented them to the Global Management Team the previous week. While the mission of UNICEF remained valid, adjustments were needed in organizational structures, capabilities and accountabilities to ensure that all parts of the organization were more mission-focused, performance-based and results-driven. Further discussion on implementation priorities was expected in the next several weeks. A more thorough briefing for the Bureau was planned for March 2007 and for the Executive Board at the annual session in June 2007.

62. Delegations requested more thorough information in future briefings, the inclusion of all members of the Board in briefings and clarification on the role of the Executive Board in the review process. The Executive Director responded that while some directional shifts were emerging, various options and recommendations were still under consideration. She agreed to keep the Board informed of future progress.

Preparation for the 2007 annual and second regular sessions of the Executive Board

63. Ms. Rima Salah, Deputy Executive Director, said that the education and child protection elements of the MTSP would be presented at the annual session and second regular session, respectively. The Secretary ad interim of the Executive Board summarized preparations for the Board's annual session in June and the second regular session in September, noting that the current time slots for each session would remain as scheduled.

Preparations for the commemoration of the General Assembly Special Session on Children

64. Mr. Kul Gautam, Deputy Executive Director, briefed the Executive Board on preparations for the General Assembly's 2007 commemorative plenary meeting on reviewing the progress made in implementing the Declaration and Plan of Action of the Special Session. The report of the Secretary-General to be prepared for the meeting would be the first full five-year review of the Millennium Development Goals and the goals of the Special Session. The UNICEF secretariat had held several informal consultations on the timing and format of the session. Among the proposed dates was 20 November 2007, the eighteenth anniversary of the adoption of the Convention on the Rights of the Child. Preparatory activities would include consultations with the Bureau of the Executive Board, the President of the General Assembly, a small working group of Member States to be formed for the purpose, and the Office of the Secretary-General. The secretariat would report to the Board following these preliminary consultations and welcomed its guidance.

K. Closing statements

65. The Executive Director announced a remarkable accomplishment: the achievement of the goal set at the 2002 General Assembly Special Session on Children of reducing measles by one half by the end of 2005 (compared with 1999). This milestone was largely the result of the work of the global Measles Partnership in which UNICEF has played an active role. She hailed this achievement as an example of how much can be accomplished through the powerful combination of cost-effective interventions, integrated approaches, political commitment and partnerships.

66. The President said that the important decisions taken and issues deliberated during the session would help to lay the groundwork for the future work of UNICEF. He thanked all present for the spirit of compromise and good will that had characterized the session.

Annex

Decisions adopted by the Executive Board at its first regular session of 2007

2007/1. Ending Child Hunger and Undernutrition Initiative

The Executive Board,

1. *Takes note* of the Global Framework for Action for the Ending Child Hunger and Undernutrition Initiative and decision 2006/EB.2/2 of the Executive Board of the World Food Programme, and encourages UNICEF to continue discussions with Member States and relevant partners on its further development;

2. *Recognizes* the Initiative's potential contribution to achieving Millennium Development Goal 1 in mobilizing the wider global partnerships required to end child hunger and undernutrition, in particular those aimed at developing more effective support to States in the implementation of national plans related to children's nutrition;

3. *Requests* UNICEF to ensure that the medium-term strategic plan (MTSP), including its support strategies, is the guiding framework for UNICEF involvement in the Initiative;

4. *Stresses* the importance of the finalization of the support strategies for other focus areas of the MTSP;

5. *Requests* UNICEF to develop and submit a report, no later than the annual session of 2008, on partnerships including an overview of existing partnerships;

6. *Requests* the Executive Director to submit at the annual session of the Executive Board in June 2007 a report for action on the following issues, in order for the Executive Board to review the role and involvement of UNICEF in the Initiative:

(a) The exact role, functions and responsibilities of UNICEF in the implementation of the Initiative and the division of labour amongst partners;

(b) Implications and consequences of the implementation of the Initiative on the capacity of UNICEF to achieve the organizational targets under each of the five MTSP focus areas at the global level as well as at country level;

(c) Implications and consequences of the implementation of the Initiative on the allocation of UNICEF core resources, including to country programmes;

(d) Implications of the Initiative for the United Nations Development Assistance Framework and poverty reduction strategy processes and subsequent programming activities of all United Nations funds and programmes at country level;

(e) Ways and means to ensure effective links between the Initiative and national plans regarding child hunger and undernutrition developed by States.

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2007/2. Recommendation for additional regular resources for approved country programmes

The Executive Board

Approves a total of $70,597,708 in regular resources to fund the approved country programmes of 34 countries (as shown in document E/ICEF/2007/P/L.1) for 2007, whose regular resources planning levels, based on the modified allocation system and estimated global levels of programmable regular resources, are higher than the balance of approved funds for these countries.

Region/country	*Document E/ICEF/*	*Approved programme duration*	*2007 Planning level*	*2007 RR Balance*	*Additional RR to be approved*
			(A)	*(B)*	*(A-B)*
West and Central Africa					
Benin	2003/P/L.5/Rev.1	2004-2008	4,234,000	2,585,000	1,649,000
Cameroon	2002/P/L.3/Add.1	2003-2007	3,532,000	2,581,292	950,708
Côte d'Ivoire	2002/P/L.4/Add.1	2003-2007	4,903,000	3,566,000	1,337,000
Dem. Rep. of the Congo	2005/P/L.33	2006-2007	38,058,000	21,227,000	16,831,000
Guinea-Bissau	2002/P/L.5/Add.1	2003-2007	1,645,000	1,395,000	250,000
Liberia	2006/P/L.42	2007	3,770,000	2,826,000	944,000
Mali	2002/P/L.6/Add.1	2003-2007	11,968,000	6,492,000	5,476,000
Mauritania	2002/P/L.7/Add.1	2003-2008	1,804,000	1,549,000	255,000
Niger	2003/P/L.7 /Rev.1	2004-2007	14,354,000	8,222,000	6,132,000
Nigeria	2001/P/L.15/Add.1	2002-2007	29,303,000	21,311,000	7,992,000
Sierra Leone	2003/P/L.8/Rev.1	2004-2007	6,491,000	3,801,000	2,690,000
Togo	2006/P/L.11	2007	3,210,000	2,269,000	941,000
Subtotal by region					**45,447,708**
Eastern and Southern Africa					
Botswana	2002/P/L.1/Add.1	2003-2007	630,000	555,000	75,000
Burundi	2004/P/L.2	2005-2007	6,973,000	3,860,000	3,113,000
Comoros	2002/P/L.2/Add.1	2003-2007	743,000	668,000	75,000
Lesotho	2001/P/L.3/Add.1	2002-2007	1,034,000	959,000	75,000
Malawi	2006/P/L.3	2007	7,536,000	6,492,000	1,044,000
Rwanda	2006/P/L.5	2007	7,875,000	4,949,000	2,926,000
Somalia	2003/P/L.4/Rev.1	2004-2008	8,465,000	5,927,000	2,538,000
Subtotal by region					**9,846,000**
East Asia and Pacific					
Pacific Island multi-country programme	2002/P/L.10/Add.1	2003-2007	5,500,000	3,000,000	2,500,000
Papua New Guinea	2002/P/L.11/Add.1	2003-2007	1,430,000	1,326,000	104,000
Timor-Leste	2005/P/L.10	2006-2007	1,125,000	1,050,000	75,000
Subtotal by region					**2,679,000**
Middle East and North Africa					
Djibouti	2002/P/L.14/Add.1	2003-2007	790,000	715,000	75,000

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Jordan	2002/P/L.15/Add.1	2003-2007	667,000	602,000	65,000
Palestinian children and women in Jordan, Lebanon, Syrian Arab Republic and the Occupied Palestinian Territory [1/]	2005/P/L.20	2006-2007	4,000,000	2,000,000	2,000,000
Sudan	2006/P/L.23	2007	7,649,000	6,169,000	1,480,000
Subtotal by region					**3,620,000**
Central and Eastern Europe and Commonwealth of Independent States					
Tajikistan	2004/P/L.17	2005-2009	2,218,000	2,026,000	**192,000**
Subtotal by region					
Americas and the Caribbean					
Bolivia	2002/P/L.8/Add.1	2003-2007	1,294,000	1,212,000	82,000
Colombia	2001/P/L.21/Add.1	2002-2007	892,000	817,000	75,000
Eastern Caribbean multi-country programme [2/]	2002/P/L.9/Add.1	2003-2007	3,200,000	1,600,000	1,600,000
Haiti	2006/P/L.53	2007	3,024,000	2,749,000	275,000
Subtotal by region					**2,032,000**
South Asia					
Afghanistan	2005/P/L.36	2006-2008	26,257,000	24,548,000	1,709,000
India	2002/P/L.12/Add.1	2003-2007	32,579,000	28,995,000	3,584,000
Nepal	2006/P/L.14	2007	6,738,000	5,250,000	1,488,000
Subtotal by region					**6,781,000**
Total					**70,597,708**

[1] Includes operation lifeline Sudan.
[2] Includes Suriname and Trinidad and Tobago

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2007/3. UNICEF financial report and the audited financial statements for the biennium ended 31 December 2005 and the report of the Board of Auditors

The Executive Board,

1. *Takes note* of the report of the Board of Auditors (A/61/5/Add.2), the report of the Secretary- General on the implementation of the recommendations of the Board of Auditors on the financial statements of the United Nations funds and programmes for the financial period ended 31 December 2005 (A/61/214/Add.1), and the report of the Advisory Committee on Administrative and Budgetary Questions (A61/61/350);

2. *Welcomes* the unqualified opinion of the Board of Auditors on the UNICEF financial statements;

3. *Takes note of* the progress made by UNICEF in implementing the recommendations of the Board of Auditors for the biennium ended 31 December 2005, and the one ended 31 December 2003, and of the specific efforts made by management to improve transparency and to promote managerial accountability and ownership in dealing with audit recommendations;

4. *Requests* the Executive Director of UNICEF to build on progress achieved and to continue to implement the recommendations of the Board of Auditors in a timely way, and requests UNICEF to provide the Executive Board with a report at its second regular session of 2007 including: an overview of the strategic implications of the recommendations for the management and strategy of UNICEF, such as the implications of the significant increase in total year-end unexpended funds, the rising levels of other resources contributions and the development of common services; and an update on the implementation of the main recommendations;

5. *Takes note with appreciation* of the steps taken by the Executive Director to work with the United Nations Development Programme, the United Nations Population Fund and other agencies to standardize their financial management in the context of the transition to International Public Sector Accounting Standards-based accounting, and requests to be informed on the progress of this work.

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2007/4. Supplementary support budget for crisis management and business continuity capacity (document E/ICEF/2007/AB/L.1)

The Executive Board

1. *Approves* the supplementary budget in gross and net appropriations for the management and administration of $9.6 million to cover the additional costs in the 2006-2007 biennial support budget associated with the need to strengthen capacities for crisis management, business and operations continuity in the event of a protracted crisis such as a human influenza pandemic, and to protect staff health and safety, contingent upon evidence of further progress being provided to the Executive Board at its second regular session of 2007 with regard to the coordination and sharing of resources with other United Nations entities, including identification of a suitable data-centre site and a related analysis of relevant costs not yet ascertained;

2. *Requests* the Executive Director to report to the Executive Board on the implementation of this decision at its second regular session of 2007.

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2007/5. Private Sector Division workplan and proposed budget for 2007

The Executive Board

1. *Approves* for the fiscal year 1 January to 31 December 2007 budgeted expenditures of $110.5 million as detailed below and summarized in column II of table 7 to document E/ICEF/2007/AB/L.3:

	(In millions of United States dollars)
Commissions – field offices	1.8
Cost of goods delivered	31.9
Marketing expenditures	33.6
Support services expenditure	21.8
Investment funds	21.4
Total expenditures, consolidated	**110.5**

2. *Authorizes* UNICEF:

(a) To incur expenditures as summarized in column II of table 7 to document E/ICEF/2007/AB/L.3 and to increase expenditures up to the level indicated in column III of the same table should the apparent proceeds from fund-raising and/or card and gift sales increase to the levels indicated in column III, and accordingly, to reduce expenditures below the level indicated in column II to the extent necessary, should the net proceeds decrease;

(b) To redeploy resources between the various budget lines (as detailed in paragraph 1 above) up to a maximum of 10 per cent of the amounts approved;

(c) To spend an additional amount between Executive Board sessions, when necessary, up to the amount caused by currency fluctuations, to implement the 2007 approved workplan.

A. Budgeted income for the 2007 season

The Executive Board

Notes that for the period 1 January to 31 December 2007, Private Sector Division net proceeds are budgeted at $463.3 million (regular resources) as shown in column II of table 7 in document E/ICEF/2007/AB/L.3.

B. Policy issues

The Executive Board

1. *Renews* investment funds with $21.4 million established for 2007;

2. *Authorizes* UNICEF to incur expenditures in the 2007 fiscal period related to the cost of goods delivered (production/purchase of raw materials, cards and other products) for the 2008 fiscal year, up to $32.5 million as indicated in the

Private Sector Division medium-term plan (see table 6 of document E/ICEF/2007/AB/L.3).

C. Medium-term plan

The Executive Board

Approves the Private Sector Division medium-term plan as reflected in table 6 to document E/ICEF/2007/AB/L.3.

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